Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending February 22, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	-	-	-
400-500	140-171	153.90	-4.74
500-600	137-165	148.57	-2.37
600-700	130-149	138.36	-1.39
700-800	122-138	129.30	-3.13
800-900	115-131	123.00	-3.25
900+	110-123	118.25	-3.71

Heifers

	Range	Average	Change from last week
300-400	-	-	-
400-500	130-142	135.67	-4.89
500-600	123-140	131.00	-2.44
600-700	118-131	124.50	-0.67
700-800	110-122	116.30	-3.40
800+	105-119	111.93	-2.57

Source: Canfax.
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that 10,650 head of cattle were sold in Saskatchewan this week, down from 21,886 head marketed during the previous week.

All classes of feeder cattle experienced losses this week as bids were lowered in an attempt to limit potential future losses that would likely incur given the weaker live cattle futures prices experienced over the week. The U.S. feeder cattle futures contracts moved between one and two per cent lower during the week resulting in lower cash prices for feeder cattle.

The benchmark 500-600 lb. feeder steer average price decreased $2.37 per cwt to $148.57 per cwt while the 500-600 lb. feeder heifer average price decreased $2.44 per cwt to $131.00 per cwt. The steer to heifer price spread increased slightly to $17.57 per cwt, compared to $17.50 per cwt the previous week.

The Saskatchewan 750 lb. feeder steer basis compared to the February 21, 2013 U.S. feeder cattle index at US$140.62 per cwt was calculated at -$14.25 per cwt, a decrease from the previous week.

Fed and Non-fed Cattle

	February 22	February 15	Change
Steers			
Live	n/a	n/a	n/a
Rail	n/a	n/a	n/a
Heifers			
Live	n/a	n/a	n/a
Rail	n/a	n/a	n/a
Cows (Alberta)			
D1,2 Live	74.00	73.90	+0.10
D3 Live	65.80	65.75	+0.05
Rail	141.00-146.00	140.00-145.00	+1.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were slightly higher from the previous week with D1,2 slaughter cows increasing $0.10 per cwt to average $74.00 per cwt, while D3 slaughter cows increased $0.05 per cwt to average $65.80 per cwt.

Fed cattle prices in Western Canada moved slightly lower with the price of fed steers in Alberta reported at $114.71 per cwt, down 0.2 per cent from $114.89 per cwt the previous week. The fed cattle basis (Alberta cash to U.S. 5-area cash) was calculated at -$11.69 per cwt.

On Friday, February 22, 2013, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* as of February 1, 2013.

February 1, 2013, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)			
	2012	2013	Per cent of previous year
On feed January 1	11,861,000	11,193,000	94
Placed during January	1,847,000	1,876,000	102
Marketed during January	1,816,000	1,917,000	106
Other disappearance during January	81,000	79,000	98
On feed February 1	11,811,000	11,073,000	94

Source: USDA

The cattle on feed numbers for February 1, 2013 were almost 11.1 million head, down 1.1 per cent from 11.2 million head on January 1, 2012, and down 6.2 per cent from 11.8 million head on February 1, 2012. The number of cattle placed on feed in January 2013 was up 1.6 per cent and the number of fed cattle marketed in January 2013 were up 5.6 per cent, compared to January 2012.

The number of cattle on feed in U.S. feed yards continues to decline and it is expected that this trend will continue unless continued drought conditions in the U.S. Midwest force more cattle into feed yards. Recent snowfalls in parts of the United States may help current moisture levels.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$123.82 per cwt, up 0.8 per cent from US$122.81 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$197.15 per cwt, up 0.7 per cent from US$195.76 per cwt the previous week.

Average beef cutout values (Choice 600-900 lb.) for the week ending February 23 averaged US$182.51 per cwt, down 0.3 per cent from US$183.07 per cwt the previous week, and down 6.6 per cent from US$195.42 per cwt for the same week a year ago.

U.S. beef production last week for the week ending February 23 was estimated at 458.7 million lb., down 3.8 per cent from 476.7 million lb. during the previous week, and down 1.1 per cent from 463.6 million lb. a year ago.

On Friday February 22, USDA released the latest U.S. cold storage numbers. The U.S. beef stocks in cold storage totaled 484.0 million lb. on January 31, 2013, up 3.9 per cent from 465.7 million lb. on December 31, 2012, but down slightly from 485.1 million lb. on January 31, 2012.

The United States' pork stocks in cold storage totaled 605.3 million lb. on January 31, 2013, up 9.7 per cent from 551.5 million lb. on December 31, 2012, and up 3.4 per cent from 585.3 million lb. on January 31, 2012. Pork in cold storage was above long term averages and year ago levels.

United States Stocks in Cold Storage (Frozen)

	1,000 Pounds		
Commodity	**Jan. 31, 2012**	**Dec. 31, 2012**	**Jan. 31, 2013**
Pork	585,307	551,510	605,266
Beef	485,059	465,716	484,003
Chicken	607,571	676,442	657,676
Turkey	297,736	296,479	361,842
Total Combined	**1,975,673**	**1,990,147**	**2,108,787**

Source: NASS

United States combined pork, beef, chicken and turkey stocks in cold storage totaled 2.109 billion lb. on January 31, 2013, up 6.0 per cent from 1.990 billion lb. on January 31, 2012, and up 6.7 per cent from 1.976 billion lb. on January 31, 2012.

Russia's announcement earlier in February that they are stopping the import of United States beef and pork (as of Feb. 11) because of the feed additive ractopamine is likely a factor pushing meat futures markets lower in recent weeks. China also plans to stop importing U.S. pork as of March 1, 2013, unless U.S. pork is verified to be ractopamine free by a third party. According to the U.S. Meat Export Federation data, pork plus pork variety meat exports to China and Russia were about 20 per cent of the 2012 U.S. exports by volume, while beef plus beef variety meat exports in 2012 were 7.4 per cent by volume.
http://www.farmworldonline.com/News/NewsArticle.asp?newsid=16230
http://www.usmef.org/news-statistics/statistics/

Friday Price Information

Product		This Week (February 22)	Week of: (February 15)
Canadian Dollar (closing rate US$)		.9796	.9939
United States Dollar Index		81.460	80.469
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		140.62	142.03
Seven-day Weighted Average FC Index Wt. (lb.)		751	756
Live Fed 5-area Steer Price (US$ per cwt)		123.82	122.81
Feed Grains			
Barley	Lethbridge ($/tonne)	282.00	283.00
	($ per bu.)	6.14	6.16
Corn	Iowa State Average (CDN$/tonne)*	280.91	280.44
	(US$ per bu.)	6.99	7.08
	Omaha, NE (CDN$/tonne)*	287.34	284.79
	(US$ per bu.)	7.15	7.19
Futures			
	March Corn (US$ per bu.) at expiry	6.90¼	6.98¾
	July Corn (US$ per bu.)	6.71¾	6.85¼
	February Live Cattle (US$ per cwt)	126.350	126.500
	June Live Cattle (US$ per cwt)	124.475	126.275
	March Feeder Cattle (US$ per cwt)	141.250	143.375
	October Feeder Cattle (US$ per cwt)	157.075	159.200

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

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